

LHV World Equities Fund

30 September 2024

Monthly Return **2.45%**
 NAV of share **13.8574 EUR**
 Fund Size **7 954 371 EUR**

Fund Manager's Comment

Mikk Taras



September was a month with significant fluctuations in equity markets, which ultimately ended with a slight gain. Fund's unit value increased by 2,4%. The markets were supported by central banks, which are now simultaneously in a phase of lowering interest rates in all major economies.

The fact that Western central banks intervene immediately in the markets when the economy (or financial markets) shows signs of weakness has been common for the past 15 years. The fact that the Chinese central bank started pushing up asset prices came as a surprise to investors.

The Chinese stock market rose by 25% in a few days due to new support measures. In commodity markets, we saw a good rise in everything more closely tied to China. In the fund, we saw larger gains Chinese equities and in copper-related stock positions, which was more related to news from China. We saw weakness in energy sector stocks, where China's role in consumption is smaller. Largest gainer was Alibaba share that rose 26,1%.

In general, it seems that China has now reached a point where the government wants to put a brake on the decline in asset prices, as it is a negative cycle that creates broader problems. The Chinese central bank has most strongly supported the stock markets by providing cheap liquidity to large institutional investors to invest in the stock markets. They also offer cheap credit to listed companies so that they can buy back more of their own shares and thus raise stock prices. The central bank's message was also that if the initial policy amounts are not enough to stop the market decline, they will simply increase the amounts.

Fund has invested into Chinese equities through iShares MSCI China ETF and Alibaba equity positions. Alibaba's stock trades at 11 times earnings. The company's net cash position accounts for about 25% of Alibaba's market value, and the company is conducting share buybacks amounting to about 9% of its market value. In general, Chinese equities are cheap and we there is upside if the policy stance is significantly changing.

Share price movement (last 36 months)



Fund Details

Type: UCITS IV
 ISIN: EE3600092417 (EUR)
 Depository: AS SEB Pank
 Registrar: AS LHV Pank
 Fund Manager: Mikk Taras

Issue Fee: 0%
 Management Fee: 2%
 Redemption Fee: 0%
 Redemption Fee (LHV): 1%

Investment Objective

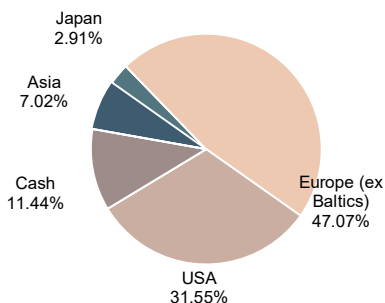
The Fund's investments are diversified geographically among different world financial markets. The Fund invests in developed markets (e.g. contracting state of the European Economic Area, the United States of America and Japan), as well as in emerging markets (e.g. Asia, Latin America and Eastern Europe).

The Fund is for investors, who want to invest globally. As the Fund is already globally diversified you can choose it as your only stock-based investment. The Fund is for long term investors.

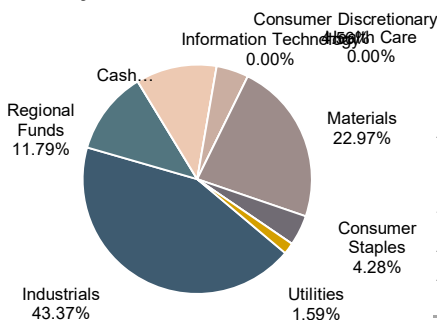
Historical Returns*

	1 month	12 months	36 months	2022-2023 average	2021-2023 average	2019-2023 average	YTD
Fund	2.45%	11.19%	5.36%	-5.05%	2.10%	6.62%	8.38%

Geographical Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Freeport-McMoRan	5.3%
Global X Copper Miners ETF	4.9%
DSV PANALPINA	4.5%
Agnico Eagle Mines	4.4%
Barrick Gold Corp	4.2%
iShares MSCI China ETF	3.8%
Trelleborg	3.4%
Atlas Copco	3.2%
Alibaba Group Holding	3.2%
Metso Corporation	3.2%
Value of TOP 10 Investments	40.1%
Total Number of Investments	30

*The fund's historical performance does not promise or offer any indications regarding future performance. Information presented herein should not be interpreted as investment advice, investment recommendation or any other investment or ancillary service. Please refer to the prospectus and the key investor information and ask for additional information lhv.ee/world. Historical annual average performance figures are geometrical averages based on last calendar years.